

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA -  
SOUTHERN DIVISION**

## SYNOPSYS, INC.

Case No. SACV15-858 CJC (DFMx)

Plaintiff,

# **STIPULATED PROTECTIVE ORDER**

1

Date Action Filed: June 1, 2015

SILICON ARTIST, INC.,  
TENSORCOM, INC., UBLILITE INC.,  
ROMEO KHARILEH, DOES 1-10,  
inclusive,

## Defendants

1           WHEREAS, the Court has reviewed Plaintiff Synopsys, Inc. and Defendant  
2 Tensorcom, Inc.'s stipulation regarding a proposed protective order, dated June 11,  
3 2015, and GOOD CAUSE appearing therfor,

4           IT IS HEREBY ORDERED THAT:

5           **1. PURPOSES AND LIMITATIONS**

6           Disclosure and discovery activity in this action are likely to involve  
7 production of confidential, proprietary, or private information for which special  
8 protection from public disclosure and from use for any purpose other than  
9 prosecuting this litigation may be warranted. This Order does not confer blanket  
10 protections on all disclosures or responses to discovery and the protection it affords  
11 from public disclosure and use extends only to the limited information or items that  
12 are entitled to confidential treatment under the applicable legal principles. As set  
13 forth in Section 13.4, below, this Stipulated Protective Order does not entitle the  
14 parties to this action to file confidential information under seal; Civil Local Rule  
15 79-5 sets forth the procedures that must be followed and the standards that will be  
16 applied when a party seeks permission from the court to file material under seal.

17           **2. DEFINITIONS**

18           2.1   Challenging Party: a Party or Non-Party that challenges the  
19 designation of information or items under this Order.

20           2.2   “CONFIDENTIAL” Information or Items: information (regardless of  
21 how it is generated, stored or maintained) or tangible things that qualify for  
22 protection under Federal Rule of Civil Procedure 26(c).

23           2.3   Counsel (without qualifier): Outside Counsel of Record and House  
24 Counsel (as well as their support staff).

25           2.4   Designated House Counsel: House Counsel who seek access to  
26 “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” information in this  
27 matter.”

1       2.5 Designating Party: a Party or Non-Party that designates information or  
 2 items that it produces in disclosures or in responses to discovery as  
 3 “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES  
 4 ONLY” or “HIGHLY CONFIDENTIAL – SOURCE CODE”.

5       2.6 Disclosure or Discovery Material: all items or information, regardless  
 6 of the medium or manner in which it is generated, stored, or maintained (including,  
 7 among other things, testimony, transcripts, and tangible things), that are produced  
 8 or generated in disclosures or responses to discovery in this matter.

9       2.7 Expert: a person with specialized knowledge or experience in a matter  
 10 pertinent to the litigation who (1) has been retained by a Party or its counsel to  
 11 serve as an expert witness or as a consultant in this action, (2) is not a past or  
 12 current employee of a Party or of a Party’s competitor, and (3) at the time of  
 13 retention, is not anticipated to become an employee of a Party or of a Party’s  
 14 competitor.

15       2.8 “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY”  
 16 Information or Items: extremely sensitive “Confidential Information or Items,”  
 17 disclosure of which to another Party or Non-Party would create a substantial risk of  
 18 serious harm that could not be avoided by less restrictive means.

19       2.9 “HIGHLY CONFIDENTIAL – SOURCE CODE” Information or  
 20 Items: extremely sensitive “Confidential Information or Items” representing  
 21 computer code and associated comments and revision histories, formulas,  
 22 engineering specifications, or schematics that define or otherwise describe in detail  
 23 the algorithms or structure of software or hardware designs, disclosure of which to  
 24 another Party or Non-Party would create a substantial risk of serious harm that  
 25 could not be avoided by less restrictive means.

26       2.10 House Counsel: attorneys who are employees of a party to this action.  
 27 House Counsel does not include Outside Counsel of Record or any other outside  
 28 counsel.

1        2.11 Non-Party: any natural person, partnership, corporation, association, or  
2 other legal entity not named as a Party to this action.

3        2.12 Outside Counsel of Record: attorneys who are not employees of a  
4 party to this action but are retained to represent or advise a party to this action and  
5 have appeared in this action on behalf of that party or are affiliated with a law firm  
6 which has appeared on behalf of that party.

7        2.13 Party: any party to this action, including all of its officers, directors,  
8 employees, consultants, retained experts, and Outside Counsel of Record (and their  
9 support staffs).

10       2.14 Producing Party: a Party or Non-Party that produces Disclosure or  
11 Discovery Material in this action.

12       2.15 Professional Vendors: persons or entities that provide litigation  
13 support services (e.g., photocopying, videotaping, translating, preparing exhibits or  
14 demonstrations, and organizing, storing, or retrieving data in any form or medium)  
15 and their employees and subcontractors.

16       2.16 Protected Material: any Disclosure or Discovery Material that is  
17 designated as “CONFIDENTIAL,” or as “HIGHLY CONFIDENTIAL –  
18 ATTORNEYS’ EYES ONLY” or as “HIGHLY CONFIDENTIAL – SOURCE  
19 CODE.”

20       2.17 Receiving Party: a Party that receives Disclosure or Discovery  
21 Material from a Producing Party.

22       **3. SCOPE**

23       The protections conferred by this Stipulation and Order cover not only  
24 Protected Material (as defined above), but also (1) any information copied or  
25 extracted from Protected Material; (2) all copies, excerpts, summaries, or  
26 compilations of Protected Material; and (3) any testimony, conversations, or  
27 presentations by Parties or their Counsel that might reveal Protected Material.  
28 However, the protections conferred by this Stipulation and Order do not cover the

1 following information: (a) any information that is in the public domain at the time  
2 of disclosure to a Receiving Party or becomes part of the public domain after its  
3 disclosure to a Receiving Party as a result of publication not involving a violation  
4 of this Order, including becoming part of the public record through trial or  
5 otherwise; and (b) any information known to the Receiving Party prior to the  
6 disclosure or obtained by the Receiving Party after the disclosure from a source  
7 who obtained the information lawfully and under no obligation of confidentiality to  
8 the Designating Party. Any use of Protected Material at trial shall be governed by a  
9 separate agreement or order.

10 **4. DURATION**

11 Even after final disposition of this litigation, the confidentiality obligations  
12 imposed by this Order shall remain in effect until a Designating Party agrees  
13 otherwise in writing or a court order otherwise directs. Final disposition shall be  
14 deemed to be the later of (1) dismissal of all claims and defenses in this action, with  
15 or without prejudice; and (2) final judgment herein after the completion and  
16 exhaustion of all appeals, rehearings, remands, trials, or reviews of this action,  
17 including the time limits for filing any motions or applications for extension of time  
18 pursuant to applicable law.

19 **5. DESIGNATING PROTECTED MATERIAL**

20 **5.1 Exercise of Restraint and Care in Designating Material for Protection.**  
21 Each Party or Non-Party that designates information or items for protection under  
22 this Order must take care to limit any such designation to specific material that  
23 qualifies under the appropriate standards. To the extent it is practical to do so, the  
24 Designating Party must designate for protection only those parts of material,  
25 documents, items, or oral or written communications that qualify – so that other  
26 portions of the material, documents, items, or communications for which protection  
27 is not warranted are not swept unjustifiably within the ambit of this Order.

28

1           Mass, indiscriminate, or routinized designations are prohibited. Designations  
2 that are shown to be clearly unjustified or that have been made for an improper  
3 purpose (e.g., to unnecessarily encumber or retard the case development process or  
4 to impose unnecessary expenses and burdens on other parties) expose the  
5 Designating Party to sanctions.

6           If it comes to a Designating Party's attention that information or items that it  
7 designated for protection do not qualify for protection at all or do not qualify for the  
8 level of protection initially asserted, that Designating Party must promptly notify all  
9 other parties that it is withdrawing the mistaken designation.

10           5.2 Manner and Timing of Designations. Except as otherwise provided in  
11 this Order (see, e.g., second paragraph of section 5.2(a) below), or as otherwise  
12 stipulated or ordered, Disclosure or Discovery Material that qualifies for protection  
13 under this Order must be clearly so designated before the material is disclosed or  
14 produced.

15           Designation in conformity with this Order requires:

16           (a) for information in documentary form (e.g., paper or electronic documents,  
17 but excluding transcripts of depositions or other pretrial or trial proceedings), that  
18 the Producing Party affix the legend "CONFIDENTIAL" or "HIGHLY  
19 CONFIDENTIAL – ATTORNEYS' EYES ONLY" or "HIGHLY  
20 CONFIDENTIAL – SOURCE CODE" to each page that contains protected  
21 material.

22           A Party or Non-Party that makes original documents or materials available  
23 for inspection need not designate them for protection until after the inspecting Party  
24 has indicated which material it would like copied and produced. During the  
25 inspection and before the designation, all of the material made available for  
26 inspection shall be deemed "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES  
27 ONLY." After the inspecting Party has identified the documents it wants copied  
28 and produced, the Producing Party must determine which documents, or portions

1 thereof, qualify for protection under this Order. Then, before producing the  
2 specified documents, the Producing Party must affix the appropriate legend  
3 (“CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES  
4 ONLY” or “HIGHLY CONFIDENTIAL – SOURCE CODE) to each page that  
5 contains Protected Material.

6 (b) for testimony given in deposition or in other pretrial or trial proceedings,  
7 that the Designating Party identify on the record, before the close of the deposition,  
8 hearing, or other proceeding, all protected testimony and specify the level of  
9 protection being asserted. When it is impractical to identify separately each portion  
10 of testimony that is entitled to protection and it appears that substantial portions of  
11 the testimony may qualify for protection, the Designating Party may invoke on the  
12 record (before the deposition, hearing, or other proceeding is concluded) a right to  
13 have up to 21 days to identify the specific portions of the testimony as to which  
14 protection is sought and to specify the level of protection being asserted. Only  
15 those portions of the testimony that are appropriately designated for protection  
16 within the 21 days shall be covered by the provisions of this Stipulated Protective  
17 Order. Alternatively, a Designating Party may specify, at the deposition or up to 21  
18 days afterwards if that period is properly invoked, that the entire transcript shall be  
19 treated as “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’  
20 EYES ONLY.”

21 Parties shall give the other parties notice if they reasonably expect a  
22 deposition, hearing or other proceeding to include Protected Material so that the  
23 other parties can ensure that only authorized individuals who have signed the  
24 “Acknowledgment and Agreement to Be Bound” (Exhibit A) are present at those  
25 proceedings. The use of a document as an exhibit at a deposition shall not in any  
26 way affect its designation as “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL  
27 – ATTORNEYS’ EYES ONLY.”

28

1                   Transcripts containing Protected Material shall have an obvious legend on  
 2 the title page that the transcript contains Protected Material and the level of  
 3 protection being asserted by the Designating Party. The Designating Party shall  
 4 inform the court reporter of these requirements. Any transcript that is prepared  
 5 before the expiration of a 21-day period for designation shall be treated during that  
 6 period as if it had been designated “HIGHLY CONFIDENTIAL – ATTORNEYS’  
 7 EYES ONLY” in its entirety unless otherwise agreed. After the expiration of that  
 8 period, the transcript shall be treated only as actually designated.

9                   (c) for information produced in some form other than documentary and for  
 10 any other tangible items, that the Producing Party affix in a prominent place on the  
 11 exterior of the container or containers in which the information or item is stored the  
 12 legend “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’  
 13 EYES ONLY” or “HIGHLY CONFIDENTIAL – SOURCE CODE”. If only a  
 14 portion or portions of the information or item warrant protection, the Producing  
 15 Party, to the extent practicable, shall identify the protected portion(s) and specify  
 16 the level of protection being asserted.

17                5.3 Inadvertent Failures to Designate. If timely corrected, an inadvertent  
 18 failure to designate qualified information or items does not, standing alone, waive  
 19 the Designating Party’s right to secure protection under this Order for such  
 20 material. Upon timely correction of a designation, the Receiving Party must make  
 21 reasonable efforts to assure that the material is treated in accordance with the  
 22 provisions of this Order.

23                6. **CHALLENGING CONFIDENTIALITY DESIGNATIONS**

24                6.1 Timing of Challenges. Any Party or Non-Party may challenge a  
 25 designation of confidentiality at any time. Unless a prompt challenge to a  
 26 Designating Party’s confidentiality designation is necessary to avoid foreseeable,  
 27 substantial unfairness, unnecessary economic burdens, or a significant disruption or  
 28 delay of the litigation, a Party does not waive its right to challenge a confidentiality

1 designation by electing not to mount a challenge promptly after the original  
2 designation is disclosed.

3       6.2    Meet and Confer. The Challenging Party shall initiate the dispute  
4 resolution process by providing written notice of each designation it is challenging  
5 and describing the basis for each challenge. To avoid ambiguity as to whether a  
6 challenge has been made, the written notice must recite that the challenge to  
7 confidentiality is being made in accordance with this specific paragraph of the  
8 Stipulated Protective Order. The parties shall attempt to resolve each challenge in  
9 good faith and must begin the process by conferring directly (in voice to voice  
10 dialogue; other forms of communication are not sufficient) within 14 days of the  
11 date of service of notice. In conferring, the Challenging Party must explain the  
12 basis for its belief that the confidentiality designation was not proper and must give  
13 the Designating Party an opportunity to review the designated material, to  
14 reconsider the circumstances, and, if no change in designation is offered, to explain  
15 the basis for the chosen designation. A Challenging Party may proceed to the next  
16 stage of the challenge process only if it has engaged in this meet and confer process  
17 first or establishes that the Designating Party is unwilling to participate in the meet  
18 and confer process in a timely manner.

19       6.3    Judicial Intervention. If the Parties cannot resolve a challenge without  
20 court intervention, the Designating Party shall file and serve a motion to retain  
21 confidentiality under Civil Local Rule 7 (and in compliance with Civil Local Rule  
22 79-5, if applicable) within 21 days of the initial notice of challenge or within 14  
23 days of the parties agreeing that the meet and confer process will not resolve their  
24 dispute, whichever is earlier. Each such motion must be accompanied by a  
25 competent declaration affirming that the movant has complied with the meet and  
26 confer requirements imposed in the preceding paragraph. Failure by the  
27 Designating Party to make such a motion including the required declaration within  
28 21 days (or 14 days, if applicable) shall automatically waive the confidentiality

1 designation for each challenged designation. In addition, the Challenging Party may  
2 file a motion challenging a confidentiality designation at any time if there is good  
3 cause for doing so, including a challenge to the designation of a deposition  
4 transcript or any portions thereof. Any motion brought pursuant to this provision  
5 must be accompanied by a competent declaration affirming that the movant has  
6 complied with the meet and confer requirements imposed by the preceding  
7 paragraph.

8 The burden of persuasion in any such challenge proceeding shall be on the  
9 Designating Party. Frivolous challenges and those made for an improper purpose  
10 (e.g., to harass or impose unnecessary expenses and burdens on other parties) may  
11 expose the Challenging Party to sanctions. Unless the Designating Party has  
12 waived the confidentiality designation by failing to file a motion to retain  
13 confidentiality as described above, all parties shall continue to afford the material in  
14 question the level of protection to which it is entitled under the Producing Party's  
15 designation until the court rules on the challenge.

16 **7. ACCESS TO AND USE OF PROTECTED MATERIAL**

17 7.1 Basic Principles. A Receiving Party may use Protected Material that is  
18 disclosed or produced by another Party or by a Non-Party in connection with this  
19 case only for prosecuting, defending, or attempting to settle this litigation. Such  
20 Protected Material may be disclosed only to the categories of persons and under the  
21 conditions described in this Order. When the litigation has been terminated, a  
22 Receiving Party must comply with the provisions of section 14 below.

23 Protected Material must be stored and maintained by a Receiving Party at a  
24 location and in a secure manner that ensures that access is limited to the persons  
25 authorized under this Order.

26 7.2 Disclosure of "CONFIDENTIAL" Information or Items. Unless  
27 otherwise ordered by the court or permitted in writing by the Designating Party, a  
28

1 Receiving Party may disclose any information or item designated  
2 "CONFIDENTIAL" only to:

3 (a) the Receiving Party's Outside Counsel of Record in this action, as well as  
4 employees of said Outside Counsel of Record to whom it is reasonably necessary to  
5 disclose the information for this litigation;

6 (b) the officers, directors, and employees (including House Counsel) of the  
7 Receiving Party to whom disclosure is reasonably necessary for this litigation and  
8 who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A);

9 (c) Experts (as defined in this Order) of the Receiving Party to whom  
10 disclosure is reasonably necessary for this litigation and who have signed the  
11 "Acknowledgment and Agreement to Be Bound" (Exhibit A);

12 (d) the court and its personnel;

13 (e) court reporters and their staff, professional jury or trial consultants, and  
14 Professional Vendors to whom disclosure is reasonably necessary for this litigation,  
15 and who are contractually bound not to disclose such documents and information  
16 by the parties retaining them;

17 (f) during their depositions, witnesses in the action to whom disclosure is  
18 reasonably necessary and who have signed the "Acknowledgment and Agreement  
19 to Be Bound" (Exhibit A), unless otherwise agreed by the Designating Party or  
20 ordered by the court. Pages of transcribed deposition testimony or exhibits to  
21 depositions that reveal Protected Material must be separately bound by the court  
22 reporter and may not be disclosed to anyone except as permitted under this  
23 Stipulated Protective Order.

24 (g) the author or recipient of a document containing the information or a  
25 custodian or other person who otherwise possessed or knew the information.

26 7.3 Disclosure of "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES  
27 ONLY" and "HIGHLY CONFIDENTIAL – SOURCE CODE" Information or  
28 Items. Unless otherwise ordered by the court or permitted in writing by the

1 Designating Party, a Receiving Party may disclose any information or item  
 2 designated “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or  
 3 “HIGHLY CONFIDENTIAL – SOURCE CODE” only to:

4       (a) the Receiving Party’s Outside Counsel of Record in this action, as well as  
 5 employees of said Outside Counsel of Record to whom it is reasonably necessary to  
 6 disclose the information for this litigation;

7       (b) Designated House Counsel of the Receiving Party (1) who has no  
 8 involvement in competitive decision-making, (2) to whom disclosure is reasonably  
 9 necessary for this litigation, (3) who has signed the “Acknowledgment and  
 10 Agreement to Be Bound” (Exhibit A), and (4) as to whom the procedures set forth  
 11 in paragraph 7.4(a)(1), below, have been followed;

12       (c) Experts of the Receiving Party (1) to whom disclosure is reasonably  
 13 necessary for this litigation, (2) who have signed the “Acknowledgment and  
 14 Agreement to Be Bound” (Exhibit A), and (3) as to whom the procedures set forth  
 15 in paragraph 7.4(a)(2), below, have been followed;

16       (d) the court and its personnel;

17       (e) court reporters and their staff, professional jury or trial consultants, and  
 18 Professional Vendors to whom disclosure is reasonably necessary for this litigation,  
 19 and who are contractually bound not to disclose such documents and information  
 20 by the parties retaining them; and

21       (f) the author or recipient of a document containing the information or a  
 22 custodian or other person who otherwise possessed or knew the information.

23       7.4 Procedures for Approving or Objecting to Disclosure of “HIGHLY  
 24 CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or “HIGHLY  
 25 CONFIDENTIAL – SOURCE CODE” Information or Items to Designated House  
 26 Counsel or Experts.

27       (a)(1) Unless otherwise ordered by the court or agreed to in writing by the  
 28 Designating Party, a Party that seeks to disclose to Designated House Counsel any

1 information or item that has been designated “HIGHLY CONFIDENTIAL –  
2 ATTORNEYS’ EYES ONLY” pursuant to paragraph 7.3(b) first must make a  
3 written request to the Designating Party that (1) sets forth the full name of the  
4 Designated House Counsel and the city and state of his or her residence, and  
5 (2) describes the Designated House Counsel’s current and reasonably foreseeable  
6 future primary job duties and responsibilities in sufficient detail to determine if  
7 House Counsel is involved, or may become involved, in any competitive decision-  
8 making.

9 (a)(2) Unless otherwise ordered by the court or agreed to in writing by the  
10 Designating Party, a Party that seeks to disclose to an Expert (as defined in this  
11 Order) any information or item that has been designated “HIGHLY  
12 CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or “HIGHLY  
13 CONFIDENTIAL – SOURCE CODE” pursuant to paragraph 7.3(c) first must  
14 make a written request to the Designating Party that (1) identifies the general  
15 categories of “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or  
16 “HIGHLY CONFIDENTIAL – SOURCE CODE” information that the Receiving  
17 Party seeks permission to disclose to the Expert, (2) sets forth the full name of the  
18 Expert and the city and state of his or her primary residence, (3) attaches a copy of  
19 the Expert’s current resume, (4) identifies the Expert’s current employer(s), (5)  
20 identifies each person or entity from whom the Expert has received compensation  
21 or funding for work in his or her areas of expertise or to whom the expert has  
22 provided professional services, including in connection with a litigation, at any time  
23 during the preceding five years,<sup>1</sup> (6) identifies (by name and number of the case,  
24 filing date, and location of court) any litigation in connection with which the Expert  
25 has offered expert testimony, including through a declaration, report, or testimony

26  
27 <sup>1</sup> If the Expert believes any of this information is subject to a confidentiality obligation to a third-party, then the  
28 Expert should provide whatever information the Expert believes can be disclosed without violating any  
confidentiality agreements, and the Party seeking to disclose to the Expert shall be available to meet and confer with  
the Designating Party regarding any such engagement.

1 at a deposition or trial, during the preceding five years; and (7) attaches the  
2 undertaking in the form of Exhibit A, attached hereto, signed by the Expert. A  
3 separate undertaking shall not be required for staff members working under the  
4 supervision of an Expert signing the undertaking. An Expert signing the  
5 undertaking, however, shall accept full responsibility for taking measures to ensure  
6 that staff members working under his supervision comply with terms of this  
7 Stipulated Protective Order.

8 (b) A Party that makes a request and provides the information specified in the  
9 preceding respective paragraphs may disclose the subject Protected Material to the  
10 identified Designated House Counsel or Expert unless, within 14 days of delivering  
11 the request, the Party receives a written objection from the Designating Party. Any  
12 such objection must set forth in detail the grounds on which it is based.

13 (c) A Party that receives a timely written objection must meet and confer  
14 with the Designating Party (through direct voice to voice dialogue) to try to resolve  
15 the matter by agreement within seven days of the written objection. If no  
16 agreement is reached, the Party seeking to make the disclosure to Designated House  
17 Counsel or the Expert may file a motion as provided in Civil Local Rule 7 (and in  
18 compliance with Civil Local Rule 79-5, if applicable) seeking permission from the  
19 court to do so. Any such motion must describe the circumstances with specificity,  
20 set forth in detail the reasons why the disclosure to Designated House Counsel or  
21 the Expert is reasonably necessary, assess the risk of harm that the disclosure would  
22 entail, and suggest any additional means that could be used to reduce that risk. In  
23 addition, any such motion must be accompanied by a competent declaration  
24 describing the parties' efforts to resolve the matter by agreement (i.e., the extent  
25 and the content of the meet and confer discussions) and setting forth the reasons  
26 advanced by the Designating Party for its refusal to approve the disclosure.

27 In any such proceeding, the Party opposing disclosure to Designated House  
28 Counsel or the Expert shall bear the burden of proving that the risk of harm that the

1 disclosure would entail (under the safeguards proposed) outweighs the Receiving  
2 Party's need to disclose the Protected Material to its Designated House Counsel or  
3 Expert.

4       **8. SOURCE CODE**

5       (a) To the extent production of source code becomes necessary in this  
6 case, a Producing Party may designate source code as “HIGHLY CONFIDENTIAL  
7 - SOURCE CODE” if it comprises or includes confidential, proprietary or trade  
8 secret source code.

9       (b) Protected Material designated as “HIGHLY CONFIDENTIAL –  
10 SOURCE CODE” shall be subject to all of the protections afforded to “HIGHLY  
11 CONFIDENTIAL – ATTORNEYS’ EYES ONLY” information, and may be  
12 disclosed only to the individuals to whom “HIGHLY CONFIDENTIAL –  
13 ATTORNEYS’ EYES ONLY” information may be disclosed, as set forth in  
14 Paragraphs 7.3 and 7.4, with the exception of Designated House Counsel.

15       (c) Any source code produced in discovery shall be made available for  
16 inspection, in a format allowing it to be reasonably reviewed and searched, during  
17 normal business hours or at other mutually agreeable times, at an office of the  
18 Producing Party’s counsel or another mutually agreed upon location. The source  
19 code shall be made available for inspection on a secured computer in a secured  
20 room without Internet access or network access to other computers, and the  
21 Receiving Party shall not copy, remove, or otherwise transfer any portion of the  
22 source code onto any recordable media or recordable device. The Producing Party  
23 may visually monitor the activities of the Receiving Party’s representatives during  
24 any source code review, but only to ensure that there is no unauthorized recording,  
25 copying, or transmission of the source code.

26       (d) The Receiving Party may request paper copies of limited portions of  
27 source code that are reasonably necessary for the preparation of court filings,  
28 pleadings, expert reports, or other papers, or for deposition or trial, but shall not

1 request paper copies for the purposes of reviewing the source code other than  
 2 electronically as set forth in paragraph (c) in the first instance. The Producing Party  
 3 shall provide all such source code in paper form including bates numbers and the  
 4 label "HIGHLY CONFIDENTIAL - SOURCE CODE." The Producing Party may  
 5 challenge the amount of source code requested in hard copy form pursuant to the  
 6 dispute resolution procedure and timeframes set forth in Paragraph 6 whereby the  
 7 Producing Party is the "Challenging Party" and the Receiving Party is the  
 8 "Designating Party" for purposes of dispute resolution.

9       (e) The Receiving Party shall maintain a record of any individual who has  
 10 inspected any portion of the source code in electronic or paper form. The  
 11 Receiving Party shall maintain all paper copies of any printed portions of the source  
 12 code in a secured, locked area. The Receiving Party shall not create any electronic  
 13 or other images of the paper copies and shall not convert any of the information  
 14 contained in the paper copies into any electronic format. The Receiving Party shall  
 15 only make additional paper copies if such additional copies are (1) necessary to  
 16 prepare court filings, pleadings, or other papers (including a testifying expert's  
 17 expert report), (2) necessary for deposition, or (3) otherwise necessary for the  
 18 preparation of its case. Any paper copies used during a deposition shall be  
 19 retrieved by the Producing Party at the end of each day and must not be given to or  
 20 left with a court reporter or any other unauthorized individual.

21       **9. PROTECTED MATERIAL SUBPOENAED OR ORDERED**  
 22       **PRODUCED IN OTHER LITIGATION**

23       If a Party is served with a subpoena or a court order issued in other litigation  
 24 that compels disclosure of any information or items designated in this action as  
 25 "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – ATTORNEYS' EYES  
 26 ONLY" or "HIGHLY CONFIDENTIAL – SOURCE CODE" that Party must:

27       (a) promptly notify in writing the Designating Party. Such notification shall  
 28 include a copy of the subpoena or court order;

(b) promptly notify in writing the party who caused the subpoena or order to issue in the other litigation that some or all of the material covered by the subpoena or order is subject to this Stipulated Protective Order. Such notification shall include a copy of this Protective Order; and

(c) cooperate with respect to all reasonable procedures sought to be pursued by the Designating Party whose Protected Material may be affected.<sup>2</sup>

If the Designating Party timely seeks a protective order, the Party served with the subpoena or court order shall not produce any information designated in this action as “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or “HIGHLY CONFIDENTIAL – SOURCE CODE” before a determination by the court from which the subpoena or order issued, unless the Party has obtained the Designating Party’s permission. The Designating Party shall bear the burden and expense of seeking protection in that court of its confidential material – and nothing in these provisions should be construed as authorizing or encouraging a Receiving Party in this action to disobey a lawful directive from another court.

**10. A NON-PARTY'S PROTECTED MATERIAL SOUGHT TO BE PRODUCED IN THIS LITIGATION**

10.1 The terms of this Order are applicable to information produced by a Non-Party in this action and designated as “CONFIDENTIAL” or “HIGHLY CONFIDENTIAL – ATTORNEYS’ EYES ONLY” or “HIGHLY CONFIDENTIAL – SOURCE CODE”. Such information produced by Non-Parties in connection with this litigation is protected by the remedies and relief provided by this Order. Nothing in these provisions should be construed as prohibiting a Non-Party from seeking additional protections.

<sup>2</sup> The purpose of imposing these duties is to alert the interested parties to the existence of this Protective Order and to afford the Designating Party in this case an opportunity to try to protect its confidentiality interests in the court from which the subpoena or order issued.

1           10.2 In the event that a Party is required, by a valid discovery request, to  
 2 produce a Non-Party's confidential information in its possession, and the Party is  
 3 subject to an agreement with the Non-Party not to produce the Non-Party's  
 4 confidential information, then the Party shall:

5           1. promptly notify in writing the Requesting Party and the Non-Party that  
 6 some or all of the information requested is subject to a confidentiality agreement  
 7 with a Non-Party;

8           2. promptly provide the Non-Party with a copy of the Stipulated  
 9 Protective Order in this litigation, the relevant discovery request(s), and a  
 10 reasonably specific description of the information requested; and

11           3. make the information requested available for inspection by the Non-  
 12 Party.

13           10.3 If the Non-Party fails to object or seek a protective order from this  
 14 court within 14 days of receiving the notice and accompanying information, the  
 15 Receiving Party may produce the Non-Party's confidential information responsive  
 16 to the discovery request. If the Non-Party timely seeks a protective order, the  
 17 Receiving Party shall not produce any information in its possession or control that  
 18 is subject to the confidentiality agreement with the Non-Party before a  
 19 determination by the court.<sup>3</sup> Absent a court order to the contrary, the Non-Party  
 20 shall bear the burden and expense of seeking protection in this court of its Protected  
 21 Material.

22           **11. UNAUTHORIZED DISCLOSURE OF PROTECTED**  
 23 **MATERIAL**

24           If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed  
 25 Protected Material to any person or in any circumstance not authorized under this  
 26 Stipulated Protective Order, the Receiving Party must immediately (a) notify in  
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<sup>3</sup> The purpose of this provision is to alert the interested parties to the existence of confidentiality rights of a Non-Party and to afford the Non-Party an opportunity to protect its confidentiality interests in this court.

1 writing the Designating Party of the unauthorized disclosures, (b) use its best  
 2 efforts to retrieve all unauthorized copies of the Protected Material, (c) inform the  
 3 person or persons to whom unauthorized disclosures were made of all the terms of  
 4 this Order, and (d) request such person or persons to execute the “Acknowledgment  
 5 and Agreement to Be Bound” that is attached hereto as Exhibit A.

6 **12. INADVERTENT PRODUCTION OF PRIVILEGED OR**  
 7 **OTHERWISE PROTECTED MATERIAL**

8 When a Producing Party gives notice to Receiving Parties that certain  
 9 inadvertently produced material is subject to a claim of privilege or other  
 10 protection, the obligations of the Receiving Parties are those set forth in Federal  
 11 Rule of Civil Procedure 26(b)(5)(B). This provision is not intended to modify  
 12 whatever procedure may be established in an e-discovery order that provides for  
 13 production without prior privilege review. Pursuant to Federal Rule of Evidence  
 14 502(d) and (e), insofar as the parties reach an agreement on the effect of disclosure  
 15 of a communication or information covered by the attorney-client privilege or work  
 16 product protection, the parties may incorporate their agreement in the Stipulated  
 17 Protective Order submitted to the court.

18 **13. MISCELLANEOUS**

19 13.1 Right to Further Relief. Nothing in this Order abridges the right of any  
 20 person to seek its modification by the court in the future.

21 13.2 Right to Assert Other Objections. By stipulation to the entry of this  
 22 Protective Order, no party waives any Party’s right it otherwise would have to  
 23 object to disclosing or producing any information or item on any ground not  
 24 addressed in this Stipulated Protective Order. Similarly, no Party waives any right  
 25 to object on any ground to use in evidence of any of the material covered by this  
 26 Protective Order.

27 13.3 Export Control. Disclosure of Protected Material shall be subject to all  
 28 applicable laws and regulations relating to the export of technical data contained in

1 such Protected Material, including the release of such technical data to foreign  
2 persons or nationals in the United States or elsewhere. The Producing Party shall  
3 be responsible for identifying any such controlled technical data, and the Receiving  
4 Party shall take measures necessary to ensure compliance.

5       13.4 Filing Protected Material. Without written permission from the  
6 Designating Party or a court order secured after appropriate notice to all interested  
7 persons, a Party may not file in the public record in this action any Protected  
8 Material. A Party that seeks to file under seal any Protected Material must comply  
9 with Civil Local Rule 79-5. Protected Material may only be filed under seal  
10 pursuant to a court order authorizing the sealing of the specific Protected Material  
11 at issue. Pursuant to Civil Local Rule 79-5, a sealing order will issue only upon a  
12 request establishing that the Protected Material at issue is privileged, protectable as  
13 a trade secret, or otherwise entitled to protection under the law.

14       14. **FINAL DISPOSITION**

15       Within 60 days after the final disposition of this action, as defined in  
16 paragraph 4, each Receiving Party must return all Protected Material to the  
17 Producing Party or destroy such material. As used in this subdivision, “all  
18 Protected Material” includes all copies, abstracts, compilations, summaries, and any  
19 other format reproducing or capturing any of the Protected Material. Whether the  
20 Protected Material is returned or destroyed, the Receiving Party must submit a  
21 written certification to the Producing Party (and, if not the same person or entity, to  
22 the Designating Party) by the 60-day deadline that (1) identifies (by category,  
23 where appropriate) all the Protected Material that was returned or destroyed and (2)  
24 affirms that the Receiving Party has not retained any copies, abstracts,  
25 compilations, summaries or any other format reproducing or capturing any of the  
26 Protected Material. Notwithstanding this provision, Counsel are entitled to retain  
27 an archival copy of all pleadings, motion papers, trial, deposition, and hearing  
28 transcripts, legal memoranda, correspondence, deposition and trial exhibits, expert

1 reports, attorney work product, and consultant and expert work product, even if  
2 such materials contain Protected Material. Any such archival copies that contain or  
3 constitute Protected Material remain subject to this Protective Order as set forth in  
4 Section 4.

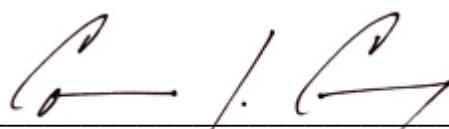
5

6 IT IS SO ORDERED.

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9 DATED: June 12, 2015

10   
11 \_\_\_\_\_  
12 Hon. Cormac J. Carney  
United States District Judge

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**EXHIBIT A**

## **ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND**

I, \_\_\_\_\_ [print or type full name], of \_\_\_\_\_ [print or type full address], \_\_\_\_\_ are under penalty of perjury that I have read in its entirety and understand the \_\_\_\_\_ related Protective Order that was issued by the United States District Court for \_\_\_\_\_ Central District of California on June \_\_\_, 2015 in the case of *Synopsys, Inc. v. Cadence Design Systems, Inc. et al.*, Case No. SACV15-858 CJC (DFMx). I agree to comply \_\_\_\_\_ and to be bound by all the terms of this Protective Order and I understand and \_\_\_\_\_ acknowledge that failure to so comply could expose me to sanctions and \_\_\_\_\_ punishment in the nature of contempt. I solemnly promise that I will not disclose in \_\_\_\_\_ manner any information or item that is subject to this Protective Order to any \_\_\_\_\_ person or entity except in strict compliance with the provisions of this Order.

I further agree to submit to the jurisdiction of the United States District Court for the Central District of California for the purpose of enforcing the terms of this Protective Order, even if such enforcement proceedings occur after termination of this action.

Date:

City and State where sworn and signed:

Printed name:

Signature: \_\_\_\_\_